

Infrastructure Delegation - Illustration Matrix

Total Fund ¹ (\$Mil)	INFRA Policy Target %	INFRA Target Amt. (\$Mil)
\$239,300	2.0%	\$4,786

Proposed Delegated Authority (\$Mil) as lesser of % of Allocation and as a \$ Cap

	SIO to a Relationship	CIO to a Relationship	Annual Delegation Limit ³
New Investments²			
Defensive (25-75% Target)	10%	20%	40%
	\$500	\$1,000	\$2,000
Defensive Plus (25-65% Target)	10%	20%	40%
	\$500	\$1,000	\$2,000
Extended (0-10% Target)	10%	10%	10%
	\$500	\$500	\$500
Public (0-10%)	10%	10%	10%
	\$500	\$500	\$500
Total Infrastructure Portfolio			50%
			\$2,500
Existing Investments			
Additional Investment ⁴	10%	20%	30%
	\$500	\$1,000	\$1,500
Debt Financing ^{5,6}	15%	30%	30%
	\$750	\$1,500	\$1,500

Current Interim Delegated Authority (\$Mil)

	SIO to a Relationship	CIO to a Relationship	Annual Delegation Limit ³
New Investments²			
Core (10-40% Target)	15%	30%	40%
	\$465 cap	\$931 cap	\$1,651 cap
Value Add (40-70% Target)	15%	30%	40%
	\$465 cap	\$931 cap	\$1,651 cap
Opportunistic (0-20% Target)	7.5%	15%	20%
	\$233 cap	\$465 cap	\$825 cap
Public (0-10%)	7%	10%	10%
	\$217 cap	\$310 cap	\$412 cap
Total Infrastructure Portfolio			50%
			\$2,063 cap
Existing Investments			
Additional Investment ⁴	15%	30%	40%
	\$465 cap	\$931 cap	\$1,651 cap
Debt Financing ⁶	15%	30%	40%
	\$465 cap	\$931 cap	\$1,651 cap

Notes:

¹ Total Fund value as of July 25, 2011.

² Pursuant to Real Assets policy (Infrastructure Program), the infrastructure single direct investment concentration limit is not more than 10% of the CalPERS' Infrastructure Program Policy Target

³ The Annual Delegation Limits are the ratios of the individual total actual Investment Amounts, Disposition Amounts, and Debt Financing Amounts relative to the Infrastructure Program Policy Target

⁴ Additional Investment includes authority to allocate new equity and commitments to existing investments. For Extended and Public sector/strategies, the delegated authority is constrained by policy limits, 10%

⁵ Debt Financing CIO and SIO delegated authority is limited to \$500 mil. for Public Investments.

⁶ Debt Financing includes authority to borrow new money, retire debt early, and renew or extend loans to existing investments. Staff will report quarterly to the Investment Committee on actual amounts utilized.

Real Estate Delegation - Illustration Matrix

Total Fund ¹ (\$Mil)	RE Policy Target %	RE Target Amt. (\$Mil)
\$234,667	10%	\$23,467

RE Fair Mkt. Value (\$Mil)	RE Unfunded Commitments	Total RE Commitments ²
\$17,744	\$6,309	\$24,053

Proposed Delegated Authority (\$Mil)

	SIO to a Relationship	CIO to a Relationship	Annual Delegation Limit ³	Maximum Relationship Exposure ⁴
New Investments				
Base Core	5% \$1,500 cap	10% \$2,500 cap	25% \$6,000 cap	25% \$6,013
Domestic Tactical	2.5% \$750 cap	5% \$1,500 cap	10% \$2,500 cap	15% \$3,608
International Tactical	2.5% \$750 cap	5% \$1,500 cap	10% \$2,500 cap	10% \$2,405
Total RE Portfolio			30% \$7,000 cap	25% \$6,013

Existing Investments

Additional Investment ⁵	2.5% \$750 cap	5% \$1,500 cap	20% \$5,000 cap
Debt Financing Existing ⁶	10% \$2,500 cap	15% \$3,750 cap	30% \$7,000 cap

Current Interim Delegated Authority (\$Mil)

	SIO To New Relationship	SIO To Existing Relationship	CIO To Existing Relationship	Annual Delegation Limit ³	Maximum Relationship Exposure ⁴
New Investments					
Core	0% \$0	2.5% \$587	5% \$1,173	20% \$4,693	20% \$4,811
Value-Add	0% \$0	1.25% \$293	2.5% \$587	5% \$1,173	10% \$2,405
Opportunistic	0% \$0	1.25% \$293	2.5% \$587	5% \$1,173	10% \$2,405
Total RE Portfolio				20% \$4,693	20% \$4,811

Existing Investments

Additional Investment ⁵	0% \$0	1.25% \$293	2.5% \$587	20% \$4,693
Debt Financing Existing ⁶	0% \$0	10% \$2,347	15% \$3,520	30% \$7,040

Notes:

¹ Total Fund value as of April 11, 2011.

² Real Estate Fair Market Value of \$17,744 million (as of 4/4/11) plus unfunded commitments of \$6,309 million (as of 12/31/10).

³ The Annual Delegation Limit is the ratio of the individual total actual annual Investment Amounts, Disposition Amounts, and Debt Financing Amounts relative to the Real Estate Target Amount.

⁴ Relationship Exposure is the ratio of any Relationship's Base Core, Domestic Tactical, International Tactical, and Legacy portfolio applicable investment management contractual relationship's Net Assets at FMV plus unfunded commitments relative to the Total Real Estate Portfolio's Net Assets at FMV plus the Total Real Estate Portfolio's unfunded commitments. For Relationships with contractual Relationships in the Base Core portfolio, Maximum Relationship Exposure is not to exceed 25%; in the Domestic Tactical portfolio, not to exceed 15%; in the International Tactical portfolio, not to exceed 10%; and in the Legacy portfolio, not to exceed 10%. For Relationships with contractual Relationships in any combination of two, three, or all four of the four portfolios (Base Core, Domestic Tactical, International Tactical, and Legacy), Maximum Relationship Exposure is not to exceed 25%.

⁵ Additional Investment includes authority to borrow new money or allocate new equity and commitments to existing projects in the Strategic Portfolio (Base Core, Domestic Tactical, and International Tactical sub-portfolios) and Legacy Portfolio. Staff will report quarterly to the Investment Committee on actual amounts utilized.

⁶ Debt Financing Existing includes authority to retire debt early and renew or extend loans to existing projects. Staff will report quarterly to the Investment Committee on actual amounts utilized.

Forestland Delegation - Illustration Matrix

Total Fund (\$Mil)	FL Policy Target %	FL Target Amt. (\$Mil)
\$234,667	1%	\$2,347

Proposed Interim Delegated Authority (\$Mil)			
	SIO to a Relationship	CIO to a Relationship	Annual Delegation Limit ¹
New Investments			
New Investment	10% \$250 cap	20% \$500 cap	40% \$1,000 cap
Existing Investments			
Additional Investment ²	10% \$250 cap	20% \$500 cap	40% \$1,000 cap
Additional Debt ³	10% \$250 cap	20% \$500 cap	40% \$1,000 cap
Debt Financing Existing ⁴	25% \$517 cap	50% \$1,034 cap	50% \$1,034 cap

Current Interim Delegated Authority (\$Mil)			
	SIO To a New Relationship	SIO To an Existing Relationship	CIO To a New or Existing Relationship
New Investments			
New Investment	6.25% \$129 cap	6.25% \$129 cap	12.5% \$259 cap
Existing Investments			
Additional Investment ¹	N/A "	6.25% \$129 cap	12.5% \$259 cap
Additional Debt ²	N/A "	6.25% \$129 cap	12.5% \$259 cap
Debt Financing Existing ³	N/A "	25% \$517 cap	50% \$1,034 cap

Notes:

¹ The Annual Delegation Limit is the ratio of the individual total actual Investment Amounts, Disposition Amounts, and Debt Financing Amounts relative to the Forestland Program Policy Target Amount.

² Additional Investment includes authority to allocate new equity and commitments to existing investments. Staff will report quarterly to the Investment Committee on actual amounts utilized.

³ Additional Debt is authority to borrow new money for existing investments. Staff will report quarterly to the Investment Committee on actual amounts utilized.

⁴ Debt Financing Existing includes authority to retire debt early and renew or extend loans to existing investments. Staff will report quarterly to the Investment Committee on actual amounts utilized.